

CFDF Corporation

Minutes of Meeting

Tuesday, September 25, 2006 at 6:00 pm

I. Call to Order: Meeting was called to order at 6:03 pm.

II. Roll Call: All Board members were present. Also present were Chris Orton, Wayne Salisbury, and Tony Ventetuolo.

III. Secretary's Report: On a motion by Maurice Brousseau seconded by Casey Andrade the Board voted 5-0 to accept the minutes of the August 29, 2006 Board meeting.

IV. Treasurer's Report: On a motion by Maurice Brousseau seconded by Augie O'Connor the Board voted 5-0 to accept the financial report for the period ending August 31, 2006.

V. Executive Session: On a motion by Augie O'Connor seconded by Gene Racquier the Board voted 5-0 to go into Executive Session at 6:10 pm. Once the security report was provided to the Board by Warden Salisbury the Warden was asked to leave the Executive Session so that the Board could discuss management contract issue.

The Board came out of Executive Session at 7:20 pm. The Board voted 5-0 to close the minutes of the executive session.

VI. Old Business:

a. Project Banking: The IXIS Funding report for the period of 08/01/06 through 08/31/06 was presented to the Board.

b. Bank of America Account: Activity sheets for the Bank of America account for the month of September, 2006 were provided. The approximate balance in that account is \$286,000.00.

c. Trustee Removal: Mr. Ventetuolo discussed with the Board the issues relative to US Bank and their inability to meet the October 4, 2006 transfer deadline. Fulbright & Jaworski was brought in to talk with US Bank and US Bank rendered its resignation from the old 1992 and 1998 bonds which were causing a time delay problem. Fulbright & Jaworski will move forward as quickly as possible to effectuate this transfer from US Bank to Bank of New York.

d. Expansion Project Status:

1. Levien-Rich observation report #14 was presented to the Board for their review.

2. The revised project schedule from OAS as well as the Owners meeting minutes #30 & #31 were presented to the Board. Mr. Ventetuolo discussed the review of AVCORR schedule summary updates and noted that the September 30, 2006 deadline for receiving some new beds will not be met. The contractor is currently 2-3 weeks behind schedule through no fault of his own. It was reported by Mr. Ventetuolo that every effort is being made to impact positively on the schedule, however, the size of the project site and the inability to get

any additional workers out of the Union Halls would be the new schedule for 112 new beds sometime around the third week of October, 2006. November 15, 2006 is currently scheduled to provide the balance of beds in those mods, totally 144.

3. Mr. Ventetuolo discussed the status of the pre-cast cell finish issue with the Board. Currently, Old Castle has offered \$25,000.00 to provide painting to the exterior of the cells. OAS has been asked to provide another estimate on paint costs using a different product in an effort to get a lower mitigation cost. Once determined OAS and AVCORR will go back to Old Castle to see if they will match the amount of money required to bring the product up to acceptable standards.

e. Per Diem: Mr. Ventetuolo discussed the status of his discussions with both the USMS and the Washington DC consultant with regard to the per diem request. It was noted that Carla Flanagan is currently reviewing the per diem request and Senator Chafee's office has been asked to discuss with Marshal Stallwood the importance of having our per diem request approved. Marshal Stallwood has asked for a copy of our per diem request which we have sent to him for his review. Max Hamel continues to make contact with the Department of Justice and the Department of Homeland Security in an effort to draw attention to the needs of the Corporation.

VII. New Business:

a.Global Revenues: Revenues from Global for the month of August, 2006 were provided to the Board.

b. DEM Site Investigation Report: It was reported that the Board has finally got approval from DEM to begin mediation work on the 935 High Street site. It was also reported that Berger Group has identified a secondary landfill site that may be able to take all excess soils from the 935 site to their landfill for cover at no cost except for trucking. This is being worked out between Berger Group and the Rose Hill landfill site. Finally, it was noted that OAS and Berger engineers will be meeting to plan the work that will take place on the 935 site.

c.Management Contract Operator: After discussion of the current status of the Cornell contract and the need to keep the Corporation's options open to further negotiate in the event that a per diem increase is not achieved in the next two years, the Board on a motion by Maurice Brousseau seconded by Augie O'Connor voted 5-0 to approve the attached resolution.

d.Consulting Contract Monitor: It was noted by Mr. Ventetuolo that the monitor's contract will expire on December 31, 2006 and the Board needs to address that issue.

VIII. Other:

a. Requisitions: On a motion by Maurice Brousseau seconded by Casey Andrade, the Board voted 5-0 to approve payments of requisitions CIF-15, CIF-151, EPA-113, ORA-115 and GRA-110

IX. Adjournment:

On a motion by Maurice Brousseau, seconded by Casey Andrade the Board voted 5-0 to adjourn at 7:55 pm.